SUBJECT: Promotional Items and Frequent Traveler Benefits

TO: Rural Development State Directors, Rural Development

Managers, Community Development Managers and

National Office Officials

PURPOSE/INTENDED OUTCOME:

President Bush signed into law the National Defense Authorization Act for Fiscal Year 2002 on December 28, 2001. Section 1116 of this Law authorized Federal employees to retain promotional items received incident to official travel for personal use, including frequent flyer miles.

The General Services Administration (GSA) has issued Travel Advisory Number 5 that provides questions and answers to help the Federal traveler become familiar with the new Law. This can be accessed under the category 'Hot Items' (Federal Travelers May Now Keep Frequent Flyer Miles) on GSA's website at www.gsa.gov.

IMPLEMENTATION RESPONSIBILITIES:

The Department's Chief Financial Officer has waived applicable policy in the Agriculture Travel Regulation at Parts 301-1.103 and 301-3.5. Therefore, promotional items received incident to official travel, including frequent flyer benefits earned on official travel, may be retained by Federal employees for their personal use. Frequent traveler benefits may be redeemed to purchase personal travel or upgrade official travel without prior approval. Upgrades for first or business class accommodations will continue to be approved only when the criteria in 301-10.123 and 301-10.124 of the Federal Travel Regulations have been met.

EXPIRATION DATE: February 28, 2003

FILING INSTRUCTIONS: Preceding RD Instruction 2036-A

This waiver of policy is effective immediately and remains in effect until a permanent amendment to the provisions is published in the Federal Register. Managers should advise all employees who travel on official business of this waiver of policy.

(Signed by Sherie Hinton henry)

SHERIE HINTON HENRY Acting Deputy Administrator for Operations and Management